



Minutes of MAYOR AND COUNCIL Meeting

Approved by Mayor and Council
on March 19, 2013.

Date of Meeting: June 26, 2012

The Mayor and Council of the City of Tucson met in regular session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona, at 5:32 p.m., on Tuesday, June 26, 2012, all members having been notified of the time and place thereof.

Roger W. Randolph, City Clerk, announced Council Members Cunningham and Fimbres were unable to be present for the meeting, but would be participating by telephone. This was allowable under the Mayor and Council Rules and Regulations. He stated they could vote on all matters in the same way as those members physically present as long as they participated in the discussions. On the agenda, all votes would be done by roll call rather than voice vote.

1. ROLL CALL

The meeting was called to order by Mayor Rothschild and upon roll call, those present and absent were:

Present:

Regina Romero	Council Member Ward 1
Paul Cunningham	Council Member Ward 2 (electronic attendance)
Karin Uhlich	Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Richard G. Fimbres	Council Member Ward 5 (electronic attendance)
Steve Kozachik	Vice Mayor, Council Member Ward 6
Jonathan Rothschild	Mayor

Absent/Excused:

None

Staff Members Present:

Richard Miranda	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

2. INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Pastor Dan Gutierrez, Drexel Heights Baptist Church, after which the Pledge of Allegiance was presented by the entire assembly.

Presentations:

- a. Mayor Rothschild proclaimed July 1st to July 7th to be “Independents Week”.
- b. Mayor Rothschild presented a plaque to Alan Toppel for his dedicated service and participation in the “2012 Welcome Home Veteran’s Parade”.

3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS

Mayor Rothschild announced City Manager’s communication number 270, dated June 26, 2012, was received into and made part of the record. He also announced that this was the time scheduled to allow members of the Mayor and Council to report on current events. These are to be Current Events of activities within the community, not position statements on policy issues.

Current event reports were provided by Council Members Romero, Uhlich and Fimbres. A recording of this item is available from the City Clerk’s Office for ten years from the date of this meeting.

4. CITY MANAGER’S REPORT: SUMMARY OF CURRENT EVENTS

Mayor Rothschild announced City Manager’s communication number 271, dated June 26, 2012, was received into and made part of the record. This time has been scheduled to allow the City Manager to report on current events.

No report was given

5. LIQUOR LICENSE APPLICATIONS

Mayor Rothschild announced City Manager’s communication number 275, dated June 26, 2012, was received into and made part of the record. He asked the City Clerk to read the Liquor License Agenda

- b. Liquor License Application(s)

New License(s)

1. Thunder Canyon Brewery, Ward 6
220 E. Broadway Blvd.
Applicant: Stephen Vincent Tracy
Series 12, City 33-12
Action must be taken by: July 2, 2012

Tucson Police Department and Revenue Investigations have indicated the applicant is in compliance with city requirements.

Planning & Development Services Department has indicated the applicant is not in compliance with city requirements.

Public Opinion: Written Argument in Favor Filed

2. University of Arizona, Ward 6
Student Union Memorial Center Buildings #17 & #19
1303 E. University Blvd.
Applicant: Frank Farias
Series 5, City 35-12
Action must be taken by: July 8, 2012

Staff has indicated the applicant is in compliance with city requirements.

3. Centennial Hall, Ward 6
1020 E. University Blvd.
Applicant: Frank Farias
Series 5, City 36-12
Action must be taken by: July 8, 2012

Staff has indicated the applicant is in compliance with city requirements.

4. University of Arizona, Ward 6
McClelland Hall
1130 E. Helen St.
Applicant: Frank Farias
Series 5, City 37-12
Action must be taken by: July 8, 2012

Staff has indicated the applicant is in compliance with city requirements.

5. University of Arizona, Ward 6
Arizona Stadium (Loge & Skyboxes, North End Zone, Stadium Club)
540 N. Vine Ave.
Applicant: Frank Farias
Series 5, City 38-12
Action must be taken by: July 8, 2012

Staff has indicated the applicant is in compliance with city requirements.

6. University of Arizona, Ward 6
Arizona State Museum
1013 E. University Blvd.
Applicant: Frank Farias
Series 5, City 39-12
Action must be taken by: July 8, 2012

Staff has indicated the applicant is in compliance with city requirements.

7. University of Arizona, Ward 6
Arizona College of Fine Arts
1017 N. Olive Rd.
Applicant: Frank Farias
Series 5, City 40-12
Action must be taken by: July 8, 2012

Staff has indicated the applicant is in compliance with city requirements.

8. Chuy's Mesquite Broiler, Ward 4
7585 S. Houghton Rd.
Applicant: James Brian Latta
Series 12, City 46-12
Action must be taken by: July 21, 2012

Staff has indicated the applicant is in compliance with city requirements.

NOTE: State law provides that for a new license application, "In all proceedings before the governing body of a city...the applicant bears the burden of showing that the public convenience requires and the best interest of the community will be substantially served by the issuance of a license". (A.R.S. 4-201)

c. Special Events

1. Salpointe Catholic High School, Ward 3
1545 E. Copper St.
Applicant: Merri C. Siler
City T48-12
Date of Event: October 26, 2012
(Homecoming Celebration)

Staff has indicated the applicant is in compliance with city requirements.

2. Tucson Botanical Gardens, Ward 6
2150 N. Alvernon Way
Applicant: Amy Marie Collinsworth
City T49-12
Date of Event: July 19, 2012
(Fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

3. Tucson Performing Art Coalition, Ward 3
1102 W. Grant Rd.
Applicant: Harold Brent Ahlstrom
City T51-12
Date of Event: July 20, 2012 - July 21, 2012
(Music Festival)

Staff has indicated the applicant is in compliance with city requirements.

- d. Agent Change/Acquisition of Control

NOTE: There are no application(s) for agent changes scheduled for this meeting.

It was moved by Council Member Romero, duly seconded, and carried by a roll call vote of 7 to 0, to forward liquor license applications 5b 1 through 5b8 and 5c 1 through 5c3 to the Arizona State Liquor Board with a recommendation for approval.

Mayor Rothschild announced that the council would take action items first to assure that those items would be voted on in the event of the loss of a quorum.

6. CALL TO THE AUDIENCE

(Note: This item was taken out of order, and considered after Item #11.)

7. CONSENT AGENDA – ITEMS A THROUGH J

(Note: Consent Agenda Items A through J were taken out of order and considered after Item #10.)

8. REAL PROPERTY: APPROVAL OF AGREEMENT AND SUPPLEMENTAL ESCROW INSTRUCTIONS, DEVELOPMENT AGREEMENT ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT, ESTOPPEL CERTIFICATE, AND RELATED DOCUMENTS NEEDED TO CLOSE THE SALE OF THE PLAZA CENTRO PROPERTY

(Note: This item was taken out of order and considered after Item #7.)

9. AGREEMENT: APPROVING AN AMENDED AND RESTATED MASTER OPERATING AND OCCUPANCY AGREEMENT AND A LEASE AGREEMENT WITH THE TUCSON COMMUNITY CABLE CORPORATION

(Note: This item was taken out of order, and considered after Item #8.)

10. ELECTIONS: REFERRING A GENERAL OBLIGATION BOND QUESTION FOR ROAD MAINTENANCE TO THE 2012 BALLOT

(Note: This item was taken out of order.)

Mayor Rothschild announced City Manager's communication number 282, dated June 26, 2012, was received into and made part of the record.

Michael Rankin, City Attorney, read a correction to Exhibit A into the record. He said the last two lines of Question Number 1 should read "...series, maturing in not more than thirty years from the date of issuance of each such series and bearing an interest at a rate or rates not in excess of 8% per annum?"

Mayor Rothschild asked for clarification. He said that it may be the maturity time was less and the interest rate significantly less but we needed the language for what may occur down the road.

Mr. Rankin said that was correct. He stated it was a statutory required element that you include in the question the maximum rate and the maximum number of years of maturity.

Council Member Uhlich asked a question in regard to the interest rate. She stated she knew we had to allow for the potential of an 8% interest rate and asked staff to address realistic expectations of an interest rate.

Kelly Gottschalk, Assistant City Manager and Chief Financial Officer, stated the 8% was put in the language as a perimeter. The expectations were that we would not get to that level in any of the issuances. She stated that since the early 80's we have not gotten to that level. But during that period of time there were double digit interest rates which we hope to never see again. She stated it was impossible to estimate what the interest rates would be over the next five years but the City just did a general obligation bond refinancing and the rate was about 2%. Typically we were thinking of going out about 20 years, at the current market rate on the high end of around 4% to 5% on a general obligation bond unless the economy changes rather significantly.

Council Member Uhlich said in language such as this she understood that there was a requirement to set a parameter and a limit. She asked Mr. Rankin if it would be prudent to indicate a goal rate or an average rate. She asked if maybe something about the history the City had experienced, "while the rates have typically been 2% and not exceeded 5%, the perimeter shall be set at 8% and borrowing shall occur only to the extent that was required by unforeseen financial indicators". She said that it was not a good thing to be borrowing money at 8%.

Ms. Gottschalk agreed it was not a good thing to borrow money at 8%, and stated that should not be included in the question but as information in the informational pamphlet. She said the other piece we would work with in sizing this issue and deciding when and how to issue the debt. She said the Mayor and Council had a policy of \$1.50 on the property tax and the Charter said \$1.75, so that would keep it in check.

Ms. Gottschalk stated everyone was aware the condition of the City streets had deteriorated significantly in recent years due to reduced state and local funding for street maintenance. The Mayor and Council allocated additional funding in 2013 for street maintenance. She said this was a one-time funding and did not provide a sustainable funding source or meet a majority of the City's needs.

Ms. Gottschalk stated that on May 8, 2012, the Mayor and Council discussed various options available to fund pavement management and directed staff to pursue consideration of a general obligation bond. She said at that time, a public survey was conducted to determine the potential support for any bond package. The results of that survey indicated there would be support for a \$100 million bond program focused exclusively on resurfacing of arterial and residential streets. She stated that a public hearing was held at which time support was expressed for a bond package. She said that in order to meet the deadlines to get the bond question on the November ballot, the Mayor and Council needed to approve an ordinance with the specific language of the bond question.

Ms. Gottschalk said additional information would be given to the Mayor and Council at their August meeting, which would include a Truth in Bonding Ordinance. She stated this Ordinance would describe how the bond program would work and would talk about a Bond Oversight Committee and how the committee would function. She said it would explain the informational pamphlet and educational materials.

Mayor Rothschild asked that with a three or four percent rate at a twenty year term, and an average home with an assessed value of \$150,000, what the additional tax would be for the taxpayer on their secondary tax.

Ms. Gottschalk replied it would be approximately \$18 per \$100,000 home value annually.

Council Member Romero stated there had been a lot of discussion about the Bond Oversight Committee. She asked if the ordinance would carry information about the Bond Oversight Committee or if this would be the place to put it in. She said she would like to see the creation of the Bond Oversight Committee anywhere they could. She asked if language would be able to be attached to this ordinance creating the committee.

Mr. Rankin distributed a draft resolution that incorporated two elements, the truth in bonding policies and the creation and establishment of the Bond Oversight Commission for the 2012 bonds. This would not be adopted at this meeting so that Mayor and Council would have time to consider the appointments to the commission. He stated that the Bond Oversight Commission language would not be incorporated into the ballot question but would be placed in the publicity pamphlet to confirm that the Mayor and Council established a Truth in Bonding as well as a Bond Oversight Commission to ensure that the purposes for which the bond proceeds are approved by the voters shall be the purposes for which the bond proceeds would actually be used and that any change in

the purpose of the bonds would have to be approved by voters by a special election for that purpose.

Council Romero asked if it was possible to put language in the ordinance or if the ordinance was specifically calling out the bond question and putting it on the ballot.

Mr. Rankin stated it could be put in the ordinance as an additional section of the ordinance. He did not do that because he did not know the size or scope of the Bond Oversight Commission that the Council wanted to create.

Council Member Romero said she wanted to add a section that would describe the Bond Oversight Committee so that it would appear in the ordinance on this meeting's agenda.

Mr. Rankin stated that a new section 11 could be inserted in the ordinance stating that the Mayor and Council shall establish, by separate resolution, a 2012 Bond Oversight Commission to ensure that the purposes for which the bonds were to be allocated would be the purposes for which those bonds would be expended.

It was moved by Council Member Romero, duly seconded, to include the section Mr. Rankin stated.

Council Member Uhlich asked if the Council would be finalizing the bond question. She said she understood it was governed by state statute but wanted the language to be as strong and as clear as possible. She requested that the word "exclusively" be inserted so that the second line of Question No. 1 on Exhibit A would read "...aggregate principal amount of its general obligation bonds exclusively to provide funds to restore, repair and resurface and improve the condition of the streets." to make it clear this was the only use of these funds and there would be no other use of these funds if the bonds are issued.

Mr. Rankin said that would be done.

Council Member Romero accepted Council Members Uhlich's amendment to the motion.

Vice Mayor Kozachik asked if the language which was added regarding the Bond Oversight Commission left open the discussion for selection of the members and that the new language just stated there will be a commission.

Mr. Rankin stated the separate resolution still gave the Mayor and Council the opportunity to determine the make-up of the commission and would be subject to Open Meeting Law requirements.

Council Member Romero asked about the staff capacity to hold a bond election. She also asked who the City's Bond Council was, the potential interest rates for the first series and when the first series would be sold.

Ms. Gottschalk stated the election would be in November of 2012, and the tax rate would be set in August 2013. She said the City would not be collecting the tax until November 2013 and the funds would not be available until March or April 2014. She commented that the first bond issue would be at the end of Fiscal Year 2013 or the beginning of Fiscal Year 2014.

Ms. Gottschalk stated the plan was to continue on the path the City was on in terms of repairs to the roads. She stated that interest rates were at historic lows and she was hoping they would remain low. She said she hoped rates would be about 4%, which was based on current market rates and recent trends in the market. She stated that Ballard Spar was the City's Bond Council.

Council Member Romero asked how the City's payment plan worked.

Ms. Gottschalk stated the City had flexibility on how to structure this debt. She said the plan was to take a look at the total outstanding debt the City had in general obligation bonds. Currently, the total was about \$322 million. She said the debt went up and then drops off in 2021. The City would wrap the current debt around the existing debt. So the debt would go up as little as possible in the early years. She said this would 'back-end load' some of the debt so that the tax payers did not see a large tax increase all at once. The debt goes out nine years and would be 'back-end loaded' so the debt goes out 20 years. There would still be a little bump, which was the \$18 per \$100,000 and that would be for interest payments. The City pays \$17 million in secondary property tax supported debt and we would keep as close to that level as possible by wrapping around that debt. This would lessen the impact on the taxpayers as much as possible.

Vice Mayor Kozachik asked if the information pamphlet would state that the City would spend \$20 million a year and that it would be up to the Department of Transportation to identify the areas and means and methods that would be employed.

Ms. Gottschalk indicated the information pamphlet would contain that information for the public.

Mayor Rothschild asked the City Clerk to read Ordinance 11003 by number and title only.

Ordinance No. 11003 an Ordinance ordering and calling a Bond Special Election to be held in and for the City of Tucson, Arizona, on November 6, 2012 to submit to the qualified electors thereof a question on authorizing the issuance and sale of bonds of the City to provide funds in the amount of \$100,000,000 to be used to restore, repair, resurface and improve the conditions of its streets; providing for and giving notice of the Bond Special Election; and declaring an emergency.

Council Member Fimbres explained his vote, stating the 2010 voters were asked for a half cent sales tax increase to go towards three years of service in police, fire, parks and streets. This proposal had been turned down by the voters much of which was due to the economic downturn during that time. He added although the economy had improved some, he could not recommend another bond question to the voters, many of which could not afford the increase. He stated the City's 2012 bond question would be placed at the end of a long ballot, causing ballot fatigue. He said he did not feel it was fair that only City residents would pay for this, while many county residents would benefit by driving through our streets.

Council Member Fimbres said that back in May, he questioned whether all options had been looked into before going to the voters, and had gotten conflicting answers from some departments, while others offered no follow up. He also indicated the results from the survey the City sent out were questionable, therefore, for all these reasons he could not recommend spending three hundred fifty thousand dollars to place a bond question on the 2012 ballot.

Council Member Kozachik also explained his vote, stating he heard from constituents that the City was behind the curve on fixing the City's infrastructure; this bond would create jobs; he felt it was an economic development issue; and a safety issue. He said it was the fair thing to do to let the voters decide.

It was moved by Council Member Scott, duly seconded, and carried by a roll call vote of 6 to 1 (Council Member Fimbres dissenting), to pass and adopt Ordinance 11003 including the correction and the requested amendments.

7. CONSENT AGENDA – ITEMS A THROUGH J

(Note: This item was taken out of order.)

Mayor Rothschild announced the reports and recommendations from the City Manager on the Consent Agenda were received into and made part of the record. He asked the City Clerk to read the Consent Agenda.

a. APPROVAL OF MINUTES

1. Report from City Manager JUN26-12-272 CITY WIDE
2. Mayor and Council Regular Meeting Minutes of January 24, 2012

b. GRANT APPLICATION: TO THE FEDERAL TRANSIT ADMINISTRATION FOR THE JOB ACCESS AND REVERSE COMMUTE PROGRAM

1. Report from City Manager JUN26-12-266 CITY WIDE

2. Resolution No. 21921 relating to Transportation; authorizing and approving the submission of a Federal Transit Administration (FTA) (Section 5316) Job Access and Reverse Commute (JARC) Program Grant Application (Federal Fiscal Year 2010) per FTA Grant #AZ-37-X021; and declaring an emergency.
- c. GRANT APPLICATION: TO THE FEDERAL TRANSIT ADMINISTRATION FOR THE NEW FREEDOM PROGRAM
1. Report from City Manager JUN26-12-267 CITY WIDE
 2. Resolution No. 21922 relating to Transportation; authorizing and approving the submission of a Federal Transit Administration (FTA) (Section 5317) New Freedom Program Grant Application (Federal Fiscal Year 2010 and 2011 Funds) per FTA Grant #AZ-57-X017; and declaring an emergency.
- d. GRANT APPLICATION: TO THE FEDERAL TRANSIT ADMINISTRATION FOR A STATE OF GOOD REPAIR BUS AND BUS FACILITIES DISCRETIONARY PROGRAM FUNDS GRANT
1. Report from City Manager JUN26-12-268 CITY WIDE
 2. Resolution No. 21923 relating to Transportation; authorizing and approving the submission of a Federal Transit Administration (FTA) (Section 5309) State of Good Repair Bus and Bus Facilities Discretionary Program Funds Grant Application (Federal Fiscal Year 2011 Funds) per FTA Grant #AZ-04-0023; and declaring an emergency.
- e. PARKS AND RECREATION: NAMING AN UNDEVELOPED AREA AT JOAQUIN MURRIETA PARK THE "SILVERCROFT UNITY GARDEN"
1. Report from City Manager JUN26-12-269 WARD 1
 2. Resolution No. 21924 relating to Parks and Recreation; authorizing and approving the naming of an undeveloped area within Joaquin Murrieta Park the "Silvercroft Unity Garden"; and declaring an emergency.
- f. TUCSON CODE: AMENDING (CHAPTER 21) RELATING TO CERTAIN PARKS AND RECREATION FEES
1. Report from City Manager JUN26-12-274 CITY WIDE
 2. Ordinance No. 11000 relating to Parks and Recreation; amending Chapter 21 of the Tucson Code to increase certain Park and Recreation fees; and declaring an emergency.

- g. GRANT APPLICATION: TO THE FEDERAL TRANSIT ADMINISTRATION FOR URBANIZED AREA FORMULA FUNDS AND SURFACE TRANSPORTATION PROGRAM FUNDS
 - 1. Report from City Manager JUN26-12-276 CITY WIDE
 - 2. Resolution No. 21925 relating to Transportation; authorizing and approving the submission of a Federal Transit Administration (FTA) (Section 5307) Urbanized Area Formula Funds Application (Federal Fiscal Years 2011 and 2012) per FTA Grant #AZ-90-X119 and FTA Surface Transportation Program (STP) Funds Application (Federal Fiscal Years 2009, 2010 and 2011) per FTA Grant #AZ -95-X020; and declaring an emergency.
- h. REAL PROPERTY: APPROVING A LEASE AGREEMENT WITH LAFLEUR FRENCH MARKET LLC, DBA: LAFLEUR PLANTSCAPES & FRESH FLORAL FOR SPACE LOCATED IN THE HISTORIC DEPOT
 - 1. Report from City Manager JUN26-12-277 WARD 6
 - 2. Ordinance No. 11001 relating to Real Property; authorizing and approving the lease agreement with LaFleur French Market LLC, dba LaFleur Plantscapes & Fresh Flora, for space located in the Historic Depot at 410 North Toole Avenue, Suite 110; and declaring an emergency.
- i. GRANT APPLICATION: TO THE GILA RIVER INDIAN COMMUNITY IN SUPPORT OF SCHOOLS, INC.
 - 1. Report from City Manager JUN26-12-278 CITY WIDE
 - 2. Resolution No. 21926 relating to Finance; authorizing and approving a Grant Application to the Gila River Indian Community in support of Schools, Inc. and disbursement of gaming monies; and declaring an emergency.
- j. REAL PROPERTY: VACATION AND EXCHANGE OF ALLEY RIGHT OF WAY FOR INTERESTS IN REAL PROPERTY WITH UNIVERSITY OF ARIZONA FOR THE TUCSON MODERN STREETCAR SYSTEM
 - 1. Report from City Manager JUN26-12-280 WARD 6
 - 2. Ordinance No. 11002 relating to Real Property and Transportation; vacation of right of way and exchange of interests in real property with the University of Arizona for the Tucson Modern Streetcar System; and declaring an emergency.

Roger Randolph, City Clerk, announced there was a correction to Ordinance 11002 in the first section in 'the whereas'; the Ordinance should say Resolution 15398 not Ordinance 15398.

It was moved by Council Member Uhlich, duly seconded, and passed by a roll call vote of 7 to 0, that Consent Agenda Items a – j be passed and adopted and the proper action taken.

8. REAL PROPERTY: APPROVAL OF AGREEMENT AND SUPPLEMENTAL ESCROW INSTRUCTIONS, DEVELOPMENT AGREEMENT ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT, ESTOPPEL CERTIFICATE, AND RELATED DOCUMENTS NEEDED TO CLOSE THE SALE OF THE PLAZA CENTRO PROPERTY

(Note: This item was taken out of order.)

Mayor Rothschild announced City Manager's communication number 281, dated June 26, 2012, was received into and made part of the record. He asked the City Clerk to read Resolution 21928 by number and title only.

Resolution No. 21928 relating to Real Estate and Development; approving and authorizing the Agreement and Supplemental Escrow Instructions, the Development Agreement Assignment, Assumption and City Consent Agreement, and an Estoppel Certificate necessary to facilitate the sale and development of the Plaza Centro Project; authorizing the City Manager or his designee to administratively approve and execute any and all ancillary related documents needed to complete the project; and declaring an emergency.

Ron Lewis, General Services Department Director, made a brief presentation explaining the history of the Development Agreement and related documents, explaining he had overseen the execution of this development agreement for the past three years to ensure the developer fulfilled all of the City's obligations.

Council Member Romero asked for an explanation on what the ancillary documents mean. She stated that there had been an amendment to the long term parking agreement with mortgage protections and operational rules and procedures and asked for clarification. She asked for an explanation on an amended condominium declaration with condominium owners association and by-laws and a garage construction use agreement and anything else that would provide the City Manager authorization to complete the project.

Michael Rankin, City Attorney, stated the Mayor and Council was provided with a general description of the types of documents that would be approved following the closing of the agreement and beginning of construction. He said the condominium agreements would be needed to establish the lines of the property. He said the City would not be entering in any agreement which would change the financial obligations or any action of the parties without coming to the Mayor and Council.

Council Member Romero asked for clarification on what an amended long term parking agreement with mortgage protections and operational rules and procedures meant.

Mr. Lewis stated the long term parking agreement which was approved did not include specific protocol for how the residents of the units would be provided their parking permits. The developer felt more comfortable with those protocols being built into the agreement. He said the mortgage protections were for the developer and lenders to be notified if the parking situation changed.

Council Member Romero asked how the lien on the developer's property affected the partnership with the City of Tucson.

Mr. Lewis said the parking agreement provided up to 189 spaces for use with the residents and business clients for the development. The lender and the developer wanted to know if those spaces were no longer available because those fill the requirement of parking for the property they were lending on.

Council Member Romero stated the price being given to the City would be \$1.6 million. She asked for the price per square foot.

Mr. Lewis said the basic per square was twenty-two dollars and fifty cents that was then accelerated by an interest rate to about twenty-five to twenty-six dollars per square foot. He went on to say there were also credits and deductions that were provided for in the development agreement.

Mr. Lewis stated the actual purchase price was \$2 million but there were about four hundred thousand dollars worth of credits that come off to make it \$1.6 million. There would also be closing costs.

Council Member Romero said she would be interested in knowing what the price per square foot would be after the credits came off to know what would be going in the Highway User Revenue Fund. She wanted to make sure it was comparable to the going rate in the area. She also asked if the agreement was attached to a time line.

Mr. Lewis affirmed there was a time line requirement from the time the property closes which was twelve to eighteen months for construction to begin.

Vice Mayor Kozachik asked the only item to be netted out of the purchase price would be the closing costs. He also asked if all of the archeological remediation had been completed and paid for. He asked for a description on the process used to come up with the one hundred twelve thousand dollars for utility stubs and stub outs, and the one hundred eighty thousand dollars for rights-of-way infrastructure improvements.

Mr. Lewis confirmed the only item to be netted out of the purchase price would be the closing costs and the archeological remediation had been completed and paid for.

He also stated regarding the infrastructure improvements in the right-of-way, there was a development agreement with the developer, admitted and permitted on what those improvements were. He said regarding the utilities, he asked for the plans the utilities would be constructed to, as well as, the breakdown of the utility prices from the developer and his contractor. He reviewed them and assessed them as being fair and reasonable for the work involved.

It was moved by Vice Mayor Kozachik, duly seconded, and carried by a roll call vote of 7 to 0, to pass and adopt Resolution 21928.

9. AGREEMENT: APPROVING AN AMENDED AND RESTATED MASTER OPERATING AND OCCUPANCY AGREEMENT AND A LEASE AGREEMENT WITH THE TUCSON COMMUNITY CABLE CORPORATION

(Note: This item was taken out of order.)

Mayor Rothschild announced City Manager's communication number 279, dated June 26, 2012, was received into and made part of the record. He asked the City Clerk to read Resolution 21927 by number and title only.

Resolution No. 21927 relating to Outside Agency Activities; authorizing and approving the Third Amended and Restated Master Operating and Occupancy Agreement between Tucson Community Cable Corporation, dba Access Tucson, and the City of Tucson/Channel 12; and declaring an emergency.

It was moved by Council Member Uhlich, duly seconded, to pass and adopt Resolution 21927.

Vice Mayor Kozachik stated in Section 3.7 the agreement spoke of sharing staff and asked if there were issues the Council needed to be aware of for paying salaries and benefits in support of non-profit. He asked if it crossed any civil service or legal lines.

Michael Rankin, City Attorney, stated his office had reviewed this in the past to see if there were any issues and any that had existed, were resolved.

Resolution No. 21927 was declared passed and adopted by a roll call vote of 7 to 0.

10. ELECTIONS: REFERRING A GENERAL OBLIGATION BOND QUESTION FOR ROAD MAINTENANCE TO THE 2012 BALLOT

(Note: This item was taken out of order and discussed after item #5.)

11. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

Mayor Rothschild announced City Manager's communication number 273, dated June 26, 2012, was received into and made part of the record. He asked for a motion to approve the appointments in the report.

It was moved by Council Member Scott, duly seconded, and carried by a roll call vote of 7 to 0, to approve the appointment of Annie Sykes to the Pima County/Tucson Women's Commission.

Mayor Rothschild asked if there were any personal appointments to be made.

There were none.

6. CALL TO THE AUDIENCE

(Note: This item was taken out of order.)

Mayor Rothschild announced this was the time any member of the public was allowed to address the Mayor and Council on any issue except for items scheduled for a public hearing. Speakers would be limited to three-minute presentations.

Mayor Rothschild also announced that pursuant to the Arizona Open Meeting Law, individual Council Members may ask the City Manager to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during "call to the audience."

Comments were made by:

Ken Johnson
Jessica Shuman

Beryl Baker

Keith Van Heyningen

Council Member Romero asked the City Manager to follow up with Ms. Shuman.

A recording of this item is available from the City Clerk's Office for ten years from the date of this meeting.

11. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

(Note: This item was taken out of order and discussed after item #9)

12. ADJOURNMENT: 6:44 p.m.

Mayor Rothschild announced the next regularly scheduled meeting of the Mayor and Council would be held on Tuesday, July 10, 2012, at 5:30 p.m., in the Mayor and Council Chambers, City Hall, 255 West Alameda, Tucson, Arizona.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 26th day of June 2012, and do hereby certify that it is an accurate transcription.

DEPUTY CITY CLERK

RWR:dsc:dr